

BEFORE THE REAL ESTATE COMMISSION
STATE OF NEVADA

FILED

APR 14 2020

SHARATH CHANDRA, Administrator,
REAL ESTATE DIVISION, DEPARTMENT
OF BUSINESS & INDUSTRY,
STATE OF NEVADA,

Case No. 2018-411

REAL ESTATE COMMISSION

BY Emily Patter

STIPULATION AND ORDER
FOR SETTLEMENT
OF DISCIPLINARY ACTION

Petitioner,

vs.

CUNG F. TAM,

Respondent.

This Stipulation for Settlement of Disciplinary Action ("Stipulation") is entered into by and between the State of Nevada, Department of Business and Industry, Real Estate Division ("Division"), through its Administrator Sharath Chandra ("Petitioner"), and Cung F. Tam ("RESPONDENT"), by and through her attorneys of record, Ramir M. Hernandez, Esq., of Wright Finlay & Zak.

RESPONDENT was at all relevant times mentioned in this Complaint licensed as a broker and holds a property management permit and is therefore subject to the jurisdiction of the Division and the Commission, and the provisions of NRS chapter 645 and NAC chapter 645

SUMMARY OF FACTUAL ALLEGATIONS SET FORTH IN THE COMPLAINT

1. RESPONDENT has been licensed as a Broker under license number B.0016381.LLC since December 6, 2005 and holds a property management permit, currently in active status.

2. On May 24, 2011, Billion-Aire LLC, a California limited liability company, through its member, Shuanghong Kall ("Landlord"), entered into a Residential Property Management Agreement ("Property Management Agreement") with Golden River Realty to manage that certain residential property commonly known as 6429 Azurelyn Avenue, Las Vegas, NV 89122, more particularly described as Clark County Assessor's Parcel No. 161-27-514-005 (the "Property").

3. Golden River Investments, LLC is a Nevada limited liability company doing business as Golden River Realty.

4. RESPONDENT is a manager of Golden River Investment, LLC.

1 5. RESPONDENT signed the Property Management Agreement on behalf of Golden River
2 Realty.

3 6. The Property Management Agreement was for an initial term of two years and
4 automatically renewed for the same term provided that neither party gave 30 days' written notice of its
5 intent not to renew.

6 7. On July 21, 2011, Golden River Realty, through RESPONDENT and on behalf of
7 Landlord, entered into a Residential Lease Agreement ("Lease") with Danish London ("Tenant").

8 8. The Lease did not contain a lease term or a lease expiration date, and therefore no
9 duration.

10 9. The Lease required Tenant to pay a security deposit in the amount of \$1,130 dollars, a
11 \$75 dollar key deposit, and \$300 dollar cleaning deposit ("Deposited Funds").

12 10. Tenant leased the Property from July of 2011 through February of 2018, at which time
13 the Tenant was evicted from the Property.

14 11. RESPONDENT did not collect the Deposited Funds from Tenant as required under the
15 Lease.

16 12. RESPONDENT permitted Tenant to pay a total deposit of \$311 dollars while Tenant
17 occupied the Property for over a six-year period.

18 13. On March 22, 2018, Landlord filed a complaint with the Division alleging that
19 RESPONDENT permitted Tenant to live in the Property for approximately six years, paying a total
20 deposit of only \$311 dollars.

21 14. Landlord alleged that as a result, when the Tenant was evicted from the property in
22 February of 2018, Landlord had to come out of pocket for repairs in the amount of \$8,991.15, because
23 RESPONDENT had failed to collect an adequate security deposit during Tenant's occupancy of the
24 Property for over a six-year period.

25 15. On March 23, 2018, the Division properly notified RESPONDENT that the Division had
26 opened an investigation regarding RESPONDENT's management of the Property.

27 16. In response to the Division's investigation, RESPONDENT claimed that Landlord
28 agreed to let Tenant make payments on the security deposit required under the Lease and that Landlord

1 was aware of the amount of the security deposit Tenant paid because it was reflected on the Owner
2 Statements sent to Landlord.

3 17. RESPONDENT failed to produce any signed agreement with Landlord or any
4 amendment to the Lease permitting the Tenant to pay the Deposited Funds in installments.

5 **SUMMARY VIOLATIONS OF LAW ALLEGED IN THE COMPLAINT**

6 RESPONDENT is alleged to have violated the following:

7 18. RESPONDENT is alleged to have violated NRS 645.633(1)(h) pursuant to NAC
8 645.605(6) for not collecting the Deposited Funds as set forth in the Lease.

9 19. RESPONDENT is alleged to have violated NRS 645.633(1)(h) pursuant to NRS
10 118A.200 by failing to include a lease term in the Lease, and as such, the Lease fails to specify its
11 duration.

12 **DISCIPLINE AUTHORIZED**

13 20. Pursuant to NRS 645.630 and NRS 645.633, the Commission is empowered to impose
14 an administrative fine of up to \$10,000 per violation against RESPONDENT and further to suspend,
15 revoke or place conditions on the license of RESPONDENT.

16 21. Additionally, under NRS Chapter 622, the Commission is authorized to impose costs of
17 the proceeding upon RESPONDENT, including investigative costs and attorney's fees, if the
18 Commission otherwise imposes discipline on RESPONDENT.

19 22. Therefore, the Division requests that the Commission take such disciplinary action as it
20 deems appropriate under the circumstances.

21 **PROPOSED SETTLEMENT**

22 1. In an effort to avoid the time and expense of litigating these issues before the Commission,
23 the parties desire to compromise and settle the instant controversy upon the following terms and
24 conditions:

25 RESPONDENT agrees to pay the Division a total amount of \$7,500 ("Amount Due"), consisting of
26 \$6,000 dollars imposed by the Division, the Division's pre-hearing costs in the amount of \$370.00, and
27 the Division's pre-hearing attorneys' fees in the amount of \$1,130.00.
28

1 2. The Amount Due shall be payable to the Division within 90 days of the entry of the Order
2 approving this Settlement.

3 3. RESPONDENT further agrees to attend 3 hours continuing education in ethics which shall be
4 live instruction and which shall not count towards the amount necessary for RESPONDENT's license
5 renewal. RESPONDENT shall complete said education within 90 days of the date of the order
6 approving this settlement.

7 4. RESPONDENT and the Division agree that by entering into this Stipulation, the Division
8 does not concede any defense or mitigation RESPONDENT may assert and that once this Stipulation is
9 approved and fully performed, the Division will close its file in this matter. Likewise, RESPONDENT
10 does not make any admission to any violation or liability by entering into this Stipulation.

11 5. RESPONDENT agrees and understands that by entering into this Stipulation,
12 RESPONDENT is waiving her right to a hearing at which RESPONDENT may present evidence in her
13 defense, her right to a written decision on the merits of the complaint, her rights to reconsideration
14 and/or rehearing, appeal and/or judicial review, and all other rights which may be accorded by the
15 Nevada Administrative Procedure Act, the Nevada Real Estate Brokers and Salespersons statutes and
16 accompanying regulations, and the federal and state Constitutions. RESPONDENT understands that
17 this Agreement and other documentation may be subject to public records laws. The Commission
18 members who review this matter for approval of this Stipulation may be the same members who
19 ultimately hear, consider, and decide the Complaint if this Stipulation is either not approved by the
20 Commission or is not timely performed by RESPONDENT. RESPONDENT fully understands that she
21 has the right to be represented by legal counsel in this matter at her own expense.

22 6. Each party shall bear their own attorney's fees and costs, except as provided above.

23 7. Approval of Stipulation. Once executed, this Stipulation will be filed with the
24 Commission and will be placed on the agenda for approval at its next public meeting. The Division
25 will recommend to the Commission approval of the Stipulation. RESPONDENT agrees that the
26 Commission may approve, reject, or suggest amendments to this Stipulation that must be accepted or
27 rejected by RESPONDENT before any amendment is effective.

28 8. Withdrawal of Stipulation. If the Commission rejects this Stipulation or suggests

1 amendments unacceptable to RESPONDENT, RESPONDENT may withdraw from this Stipulation,
2 and the Division may pursue its Complaint before the Commission. This Stipulation then shall become
3 null and void and unenforceable in any manner against either party.

4 9. Release. In consideration of the execution of this Stipulation, RESPONDENT for
5 herself, her heirs, executors, administrators, successors, and assigns, hereby releases, remises, and
6 forever discharges the State of Nevada, the Department of Business and Industry, and the Division, and
7 each of their respective members, agents, employees, and counsel in their individual and representative
8 capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions,
9 claims, and demands whatsoever, known and unknown, in law or equity, that RESPONDENT ever had,
10 now has, may have, or claim to have against any or all of the persons or entities named in this section,
11 arising out of or by reason of the Division's investigation, this disciplinary action, and all other matters
12 relating thereto. In the event this settlement is approved, the Division agrees to release and discharge
13 RESPONDENT from any further causes of action, suits, or disciplinary actions arising from its
14 investigation of the complaint filed with the Division by Shuanghong Kall that was executed on March
15 22, 2018, regarding RESPONDENT's management of 6429 Azurelyn Avenue, Las Vegas, NV 89122.

16 10. Indemnification. RESPONDENT hereby agrees to indemnify and hold harmless the
17 State of Nevada, the Department of Business and Industry, Petitioner, the Division, and each of their
18 respective members, agents, employees, and counsel, in their individual and representative capacities,
19 against any and all claims, suits, and actions brought against said persons and/or entities by reason of
20 the Division's investigation, this disciplinary action, and all other matters relating thereto, and against
21 any and all expenses, damages, and costs, including court costs and attorney fees, which may be
22 sustained by the persons and/or entities named in this section as a result of said claims, suits, and
23 actions.

24 11. Default. In the event of default, RESPONDENT agrees that her license shall be
25 immediately suspended, and the unpaid balance of the administrative fine and costs, together with any
26 attorney's fees and costs that may have been assessed, shall be due in full to the Division within ten
27 calendar days of the date of default. Debt collection actions for unpaid monetary assessments in this
28 case may be instituted by the Division or its assignee. RESPONDENT agrees that her license shall be

1 immediately suspended if she fails to timely attend and complete the above continuing education.
2 RESPONDENT agrees that the suspension of her license shall continue until the continuing education
3 is completed.

4 12. RESPONDENT has signed and dated this Stipulation only after reading and
5 understanding all terms herein.

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7 DATED this 9th day of March, 2020.

8 DATED this 17th day of March, 2020.

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10
11 By: 

12 CUNG F. TAM

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14
15 By: 

16 SHARATH CHANDRA
17 Administrator

18 Approved as to form:

19
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21 By: 

22 WRIGHT FINLAY & AZK
23 Ramir M. Hernandez (Bar No. 13146)
24 7785 W. Sahara Ave., Suite 200
25 Las Vegas, NV 89117
26 Attorneys for RESPONDENT

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28
29 AARON D. FORD

30 Attorney General

31
32 By: 

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34 Deputy Attorney General
35 555 E. Washington Avenue, Suite 3900
36 Las Vegas, NV 89101
37 Attorneys for Real Estate Division

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3 **ORDER APPROVING STIPULATION**

4 The Stipulation and Order for Settlement of Disciplinary Action having come before the Real
5 Estate Commission, Department of Business and Industry, State of Nevada, during its regular agenda
6 on March 10, 2020, and the Commission being fully apprised in the premises, and good cause
7 appearing,
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9 **IT IS ORDERED** that the above Stipulation is approved in full.

10 This Order shall become effective on the 10th day of March, 2020.

11 Dated this 14th day of April, 2020.

12 NEVADA REAL ESTATE COMMISSION

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14 By: 
15 President, Nevada Real Estate Commission
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